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ESSAY.





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AN ESSAY

ON

*THE BEST WAY OF DEVELOPING IMPROVED
POLITICAL AND COMMERCIAL RELATIONS*

BETWEEN

GREAT BRITAIN

AND THE

UNITED STATES OF AMERICA.

BY JOSHUA LEAVITT, D.D.,
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PREFATORY NOTE.

IN the month of March 1868, the Committee of the Cobden Club resolved that a Gold Medal should be presented by the Club annually for the best Essay on some public question with which Mr. Cobden's political career had been identified ; and the subject chosen for the year 1868 was, "On the best way of developing improved political and commercial relations between Great Britain and the United States of America."

The following Essay, being that to which the prize (for 1868) was awarded, is published by the Committee, in accordance with the conditions of competition. For the particular statements and views contained in it the Author is alone responsible.

LONDON, *March* 1869.



ESSAY.

THESE two great Protestant nations, sprung of the same stock, and identical in language, religion, and jurisprudence, have the greatest possible interest in the continuance of mutual good-will. Being so nearly alike in the principal elements of national character, and so nearly equal in all that constitutes national greatness, no other two nations can do so much by mutual friendship to build each other up; and no other two nations can do so much to injure and degrade each other. And there is hardly a possibility that either should benefit itself by the other's ruin. Having the lead of all nations in many elements of the highest civilization, no other two nations can do so much to extend the influence of their common principles.

Our systems of religion, of law, and policy are calculated to diffuse over the whole earth the blessings we enjoy, and would unite all nations in relations of amity and commerce. And these, if continued, would eventually make peace and prosperity, liberty and refinement, the common property of all mankind. Nations are but larger families; only there is this

— difference, that families acknowledge their subjection to the government of the State, while nations know no superior but God.

Some light may be thrown upon the subject before us by looking at the relations of a couple of neighbouring families. We will suppose them to be of the same lineage, but independent of each other, and therefore equal before the law.

Let one be of modern growth, but intelligent, ambitious, and enterprising, with an immense and compact domain, of vast resources, and rapidly rising in all that constitutes true worth and dignity;—the other, with a still wider domain, but circumscribed in a homestead, having vast accumulations of wealth, and ennobled with the highest titles achieved through a history of a thousand years. In what way are the most friendly relations to be developed and preserved between two such families? We shall have to provide against the influence of mutual rivalries, the intrigues of mutual enemies, and the errors and wrongs inseparable from poor human nature. The success of our experiment will depend upon the full and constant recognition of two facts: first, that the families are wholly distinct—that they are two, and not one; and, secondly, that for all the purposes of this inquiry they are to be regarded as on equal ground. No assumptions of superiority in the one, no admissions of inferiority in the other, are allowable, because, by the supposition, each is as independent as the other; and each in its voluntary relations is subject only to its own will. Practically,

of course, the lead will be taken by the older family, as to the manner and form of mutual intercourse.

Comity consists in mutual concession, and concession comes with grace from those who have in some sense the advantage. Advances which would be courtesy in one would be servility in the other. The terms of intercourse, the degree of familiarity, the frequency and intimacy of visits, the multiplication of common pursuits and interests, the line between familiarity and reserve, would be regulated by the wishes of the older family. Many things can be accepted when given, which yet cannot be asked for without a loss of self-respect. And it is only by the happy union of mutual esteem with unwounded self-esteem that intercourse between equals becomes productive of lasting friendship. Wisdom and self-control are required as well to refrain from taking, as to avoid giving, offence. Only intentional wrong ought to be resented, and then with seriousness only corresponding to the evident malignity of the intention. A manly and sincere spirit will dismiss a thousand trifling incidents with, "What is that between me and thee?"

The chief interests of a family in which the family life consists, are its own, and by the instinct of self-preservation are devolved upon its own care for their preservation; and nothing pertaining thereto which is not plainly unjust, ought to be taken in an offensive sense.

If I strengthen the fences around my own fields, it is not for my neighbour to inquire whether it is to

keep my cattle from spoiling his crops, or to keep his cattle from devouring my harvest. There are but few cases, even between the nearest relations, where good neighbourhood is not best perpetuated by the habit of interchanging visits through the street door, and with the forms of ordinary politeness, rather than by "running in" through a postern-gate across the garden.

The frequent and easy interchange of ordinary civilities, as well as positive acts of kindness, should have every facility on both sides, and yet never be made obtrusive or burdensome. There is no obligation, even of friendship, requiring one family to adopt the manners or copy the forms of another, in things either small or great. It is essential to the mutuality of courtesy that its forms be spontaneous and free.

Short settlements make long friendships. The frequent balancing of accounts in business is a sure preventive of incurable alienations. And in cases of actual misunderstanding, all the manuals of good manners ever written contain nothing so complete as the simple rule of Christian ethics—

"If thy brother trespass against thee, go and tell him his fault between thee and him alone."

Personal and prompt explanations between the parties, without any communication with others, would settle the greater part of the obstinate quarrels which disgrace civilized society.

The frequency and familiarity of intercourse between families for business or friendship can be regulated only by a judicious regard to the conditions

of both, and can neither be exacted nor restricted at the mere pleasure of one.

Yet the increase of friendly relations depends upon the freedom and familiarity of mutual intercourse, and the constant interchange of offices of kindness, within the limits of common sense and sincere good-will.

Two families thus living as neighbours and friends through a course of years, could not but grow more alike in many things, while some peculiar characteristics of each might appear more marked and distinct. As, in mathematical problems, the asymptote is described as a line which "always approaches without ever meeting its curve," in like manner two families, or two persons, in process of the highest culture, under the influence of the firmest friendship, would continually assimilate to each other, without ever becoming identical. It is not necessary to point the application to the case of these two distinct and kindred nations. The parable presents the outline of that free and voluntary intercourse of courtesy and kind offices, by which alone "improved commercial and political relations" between them would grow and develop themselves. Such causes produce their effects, independently alike of formal compacts and of governmental regulations, but in a way to give shape and direction both to treaties and laws. Nations as such do not visit each other. Their mutual intercourse and relations are maintained through the personal visits of individuals, the interchanges of thought by means of the post-office and the press, the operations of diplomacy, and the exchange of commodities in trade. Leaving

emigration out of the case, it is supposed that one hundred Americans visit England, where one Englishman visits America, either for purposes of trade or for pleasure and improvement.

The reasons for this disparity are too many to be recounted, and are almost as various as the inclinations of individuals. The great increase of such intercourse must be a vital element in the "improved political and commercial relations" of the future.

Those who have the most to learn, and those who are most eager to see and know, will be the most eager to go; while those who furnish the most to be seen, or who take most pains to entertain and gratify strangers, will naturally attract the greatest number of visitors. Those who go to see, and to learn, and to enjoy, will be best welcomed and most gratified; while those who go to criticise, to find fault, to scandalize, or to gratify a sour and selfish egotism, will see all things with jaundiced eyes. Either way, a large part of the mutual knowledge and interest between these two countries is produced by the interchange of personal visits. Seeing is believing. The places which we have ourselves visited, the ground which we have ourselves traversed, the persons whom we have ourselves seen and conversed with, are fixed in our minds, in all their qualities and proportions, and seem to us as interesting subjects of thought, in a far more vivid manner than is possible for that of which we have only read in books. They lose much who voluntarily neglect opportunities which they might enjoy, of expanding their affections beyond their national

boundaries, and of crossing wide oceans into distant continents.

Both the pleasure and the profit of travel depend much upon the spirit of candour and courtesy with which we make our observations. We should remember that differences are not necessarily preferences. Diversity is the law of creation ; its universality is one of the highest evidences of the wisdom of the Creator. Diversities are the most marked where there is the highest cultivation. It is only through diversities that society becomes possible. Mutual intercourse and regard are enriched and heightened in proportion as natural diversities are enhanced and refined by culture. It is by our differences that we become most valuable to each other, and contribute most to the common stock of enjoyment and improvement. Both national and personal idiosyncrasies are chiefly matters of growth rather than of arbitrary choice or production. Like the shell to the body of the fish, they fit exactly in proportion as they have grown without obstruction. It does not follow, because my way is different from yours in any particulars, that it is therefore either better or worse than yours. Yours may be the best for you, as mine for me, and is entitled to the same candour and respect which I naturally desire in return.

There is no philosophy and no refinement in life above the Golden Rule : "All things whatsoever ye would that men should do to you, do ye even so to them." When Americans go to England, they go to see Englishmen ; and when Englishmen go to Ame-

rica, they go to see Americans, and should expect to find that Americans are like themselves and unlike Englishmen.

If they were exactly alike, they would not be two, but one; and it is because they are unlike in circumstance and inclination that they are two, and not one. It is natural and necessary that both laws and manners should be different, in a monarchy and a republic; in an old country and a new; in a nation laden with the wealthy accumulations of many centuries, and one whose disposable capital is not yet sufficient for the development of its own resources. A country in which primogeniture, the aggrandizement of families, and the permanent distinction of classes are leading features of social organization, and another which bases its national life upon the sentiment that all men are created equal, and have equal rights in all that constitutes individual life and development, cannot but grow more and more unlike in many things, in which neither could become like the other but by a forced imitation, alike unnatural and prejudicial. The degree both of likeness and unlikeness which the future development of amicable relations is to produce, is not a matter of calculation.

The whole remaining problem is bound up in one word—Commerce; the interchange of thought and knowledge through the press and the post, and the interchange of commodities by trade. And commerce is governed, as to its extent, mainly by price. So that whatever enhances the cost of the interchange,

obstructs its flow, and lessens its volume ; and to the same degree diminishes its benefits.

To obstruct the free flow of knowledge from country to country intentionally, through fear of social or political danger from the largest accessions of knowledge, is a barbarism no longer to be apprehended.

In a popular government, such as each country enjoys, intelligence is universally recognised as the safeguard of liberty. Everything which cheapens the cost of paper, and books, and newspapers, favours the diffusion of knowledge. And everything that enhances their cost is to be looked upon as a direct obstruction to this great object. To impose a tax on books and paper, either for revenue or for the protection of material interests, is to increase the cost of the diffusion of knowledge, and thus to sacrifice the greater good to the less.

To subordinate the intellectual and moral interests of a great people—of two peoples—to the needs or the greeds of a small class, is so unstatesmanlike, that it must surely give way before an enlightened public opinion the moment the subject is fairly understood. The interchange of thought and knowledge ought to be as free and universal between the two countries, as between two counties of the same country. Let people weigh the principles and compare the ideas of each, until all their joint stock of knowledge and literature shall become the common property of both, and until that alone shall be accepted as true which can stand the unrestricted scrutiny of all. When the people of these two nations shall all read freely the

same books, and when the audience of both English and American authors shall be the whole English-speaking public throughout the world, the petty jealousies, the trivial misapprehensions, the unhappy distrusts, which dishonour the intelligence of the age, will be known no more. And the two nations will necessarily think alike, precisely in proportion as they think justly.

The proposed international copyright has an important bearing in this connexion. The object of this copyright is to give to the authors of books, or their assigns, the exclusive right of publication in both countries, in order to keep up the price in both. That this enhancement of the price in one country, of books produced in the other, will have a tendency to limit the mutual circulation of current literature, will not be questioned.

Whether the proper encouragement of authors requires this to be done, is the point which the two governments should first settle. Copyright does not exist, except as created by law, for it begins only when the steps are taken which the law prescribes, and it continues only so long as the law extends it. There is, therefore, no national right involved. A man's thoughts are his own, only so long as he keeps them to himself. When he has uttered them, they become the thoughts of all who receive them, and who thenceforth use them at pleasure. The title to a thought by original invention is no better than the title to an asteroid by original discovery. The clothing of a man's thoughts in language no more entitles

him to their exclusive publication, after they are gone forth to the public, than a man's careful study of the clothing of his person entitles him to forbid the imitation of his garb and gait as he walks the streets. The law creates copyright on the assumption that the public good will be promoted by the encouragement thus granted to authors to publish their works. The same law limits copyright as to its duration and extent, because the public good forbids the existence of a power to perpetuate the high price of books. What a drawback it would have been upon the circulation and influence of English literature if the law had invested the heirs of Shakespeare, of Bacon, of Milton, with a perpetual copyright in their immortal works ! The only proper question in the case relates to the sufficiency of the present encouragement to authors, by the exclusive possession of such a market for their books as is afforded by either one of these two nations. It is only a *good* book, in the intellectual sense, that deserves encouragement from the Government. And it is only a *good* book, in the commercial sense, that is capable of being benefited by copyright. A very large majority of the books that are published never sell at all beyond the first edition ; and the exclusive benefit of the first edition is in most cases sufficiently secured by priority in the market.

Of the comparatively small number of books in either country which run through many editions, the product of money to their authors is now extremely liberal. Many of the makers of such books are able to live in handsome independence on the fruits of

their labours, such as is rarely attained by those of equal ability, either in the professions or in the public service. These high literary prizes are already a strong inducement to others to try their fortune in the field of literary adventure, as is seen by the multitude of books which fall still-born from the press, because they do not possess the qualities for which the people purchase books.

It can hardly be maintained that authorship, considered either as an industry or as an intellectual profession, is not as well protected and encouraged in proportion to the usefulness of its products, as any other human pursuit. The pecuniary return realized from their publications is neither the only nor chief encouragement by which authors of merit are induced to publish their works. The good they may do to mankind, the reputation they may acquire, and the satisfaction of seeing their thoughts widely diffused and received, and made a part of the mental wealth of their country and age, outweigh a thousandfold, to an enlarged and generous mind, the value of the material silver and gold yielded by their copyright. And it cannot be doubted that these higher returns are directly increased by the freedom of publication unrestricted by copyright ; because cheapness of price, and variety in the forms of publication, are prime elements in the widest circulation of books.

The reputation gained by Dickens and Thackeray and Tennyson, by the boundless circulation of their books in America, has powerfully reacted upon their position in their own country, in ways which no

amount of money received for copyright could ever have equalled. The same is true of many American authors, whose standing and satisfaction are mightily enhanced by the circulation of their works in England, solely through the freedom of the reprint. It is impossible to exaggerate the value of this international exchange of ideas through the medium of books, as a means of that general assimilation of thought and life, which is the highest guaranty of political and commercial intercourse, and permanent friendship between the two countries. While each nation, for the most part, buries its own literary trash, and each retains the exclusive circulation of books adapted specially to its own use, the whole volume of the best thoughts of one country have now their widest diffusion through their freedom of publication in the other. And as this goes on from age to age, always increasing as it advances, the minds of both nations will come to be fed chiefly upon the same food, until they grow alike in all the great qualities of national life.

The two countries have a valuable modern experience as to the influence of cheap postage, in hastening the process of assimilation among a people, as well as in greatly promoting the general advancement of civilization. And yet neither Government appears to have entertained the idea of extending the application of the same principles to ocean postage. It has happened unfortunately, for reasons not necessary to be now considered, that the Government of the United States, in cheapening their rates of inland postage,

have never hit upon a complete system. Having established a rate higher by fifty per cent. than the English postage, they have been compelled to admit a number of variations for special classes, which destroyed the uniformity of rate, and the simplicity in the details of arrangement, so essential to the success of cheap postage. Until it shall adopt the fundamental principles of uniformity in rate, simplicity in arrangement, and beneficence in spirit, its attempts at reform in ocean postage would fail of the success which a better system would surely attain. The English system of cheap postage, on the other hand, came full orb'd from the brain of Sir Rowland Hill; purely scientific in its principles, complete in its details, beneficent in its plans, and successful in its operations.

It is, beyond a question, the most perfect piece of governmental machinery that was ever invented. It presents the Government to the people, in daily contact with their business and their happiness, but always in the aspect of a benefactor, giving benefits of inestimable value, and exacting but a penny in return.

An English statesman, not now living, Mr. Richard Cobden, in conversation with the writer in 1843, bore the strongest testimony in its favour, in the opinion expressed, that the introduction of cheap postage had rendered a violent revolution for the overthrow of the Government in England for ever impracticable.

By the facilities which it affords for bringing the people all over the country, and of all classes, into

mutual acquaintance and sympathy, and into the knowledge of each other's wants and wishes and plans, it lends such unity and force to public opinion that all needed reforms can be effected, one after another, by the demonstrated will of the people, without violence or revolution. A quarter of a century has passed, and he has not yet proved a false prophet.

It is a curious phenomenon in political philosophy, that in thirty years which have passed since the publication of Sir Rowland Hill's pamphlet, and with all the experience by which his method has shown itself to be as perfect in operation as it is scientific in theory, no attempt has yet been made to apply its beneficent and irrefragable principles to the postage of letters sent by sea. There is no reason in the nature of the two services why the same method should not be adopted at sea as on land, and with the same satisfactory results—all good, and no evil.

The cost of transportation of letters, which suggests itself at first blush as the great obstacle to cheap postage, was demonstrated by Sir Rowland Hill to be a mere insignificant portion, two-ninths of a farthing for a single letter, too small to be stated in money. And even this, it was shown, would be diminished in inverse proportion as the number of letters was increased. The cost to the Government arises from other sources, which he classed together as "Management." And this cost of management is chiefly in sending, running and receiving the mails, and is, therefore, nearly independent of the number

of letters. Consequently the cost is increased in only a very small proportion as the number of letters is increased.

Hence it is that the net income of the constantly increasing gross amount of British postage has constantly advanced until it has surpassed the expenditure of the Post Office, so that the actual cost to the Government of letter postage in Great Britain is now less than a halfpenny. Why should not the management be just as simple, and the transportation just as cheap, by sea as on land? The freight of a barrel of flour from New York to Liverpool costs from two to four shillings sterling, that is, from half a dollar to one dollar in American money. Its weight is two hundred pounds, equal to six thousand four hundred half-ounce letters, the postage on which, at a penny, would be £26 13s. The actual contrast is still more striking, by the fact that the average weight of single letters is less than a quarter of an ounce; so that the barrel of flour weighs as much as 12,800 letters, the postage of which would be about fifty pounds sterling. We may make all reasonable allowance for the bulkiness of letters, as compared with barrels of flour, but if we reckon them as "measurement goods," the actual cost of the transportation of a single letter will not exceed one-third of a mill, or about sixty-four thousandths of a farthing. The mails at sea would be much less exposed to injury or depredation than on land, and the whole management is more simple and less expensive. If either Government finds it expedient,

for reasons of its own, to subsidize lines of mail steamers with large gifts of money for carrying the mails, those reasons are governmental in their nature rather than postal, and this expense is not properly charged to letter postage. As far as postage proper is concerned, there is nothing to hinder the placing of the ocean mails upon precisely the same footing with the inland mails. As the United States have now no steamers plying between the two countries, the whole matter rests at present with the Government of Great Britain. And the reasons which prevent its adoption will be such as influence the determinations of that Government alone. That a twopenny postage between the two countries would produce a prodigious increase of correspondence, is as certain as that such an increase of correspondence would deepen the currents of mutual sympathy and friendship between the two peoples. It is hardly too much to predict that the same cause—cheap postage—which is supposed to have rendered a bloody revolution in England impossible, would be likely, if continued for a generation, to render a bloody war between the two nations unimaginable. Those only who deprecate the mutual assimilation which unrestrained intercourse will produce, will resist the introduction of such an arrangement of intercourse as would be fruitful only of good to both peoples, and fraught with immeasurable incidental benefits to our common humanity.

But the greatest civilizer and assimilator of nations is Commerce.

By the very structure of the world, by the unchangeable conformations of continents and seas, by the diversities of soil and climate and production, and by the inherent distinctions among men in regard to their preferences and capacities, the Creator has clearly manifested His design that the human race should depend upon the mutual exchange of commodities for its highest gratifications and developments. It is only in quite modern times that commerce has begun to produce its highest benefits; and even now its capability of promoting the welfare of mankind is only partially displayed. In proportion as religion has softened the rugged features of society, and thus allowed the dictates of humanity a wider scope and greater influence, commerce has at once grown more free, and at the same time has regulated itself more by the rules of reciprocal justice. Science, also, has analysed its principles, and given to it the guidance of intelligent reason. From the days of Adam Smith, philosophers at least have understood that trade is by its very nature an interchange of benefits. Each party gives that which he values less, and receives in exchange that which he values more, and thus both are enriched by the process. Without trade, there could be no riches. A man might dig diamonds from a mine, and if he could not sell them he would starve in poverty. A community may fill itself to overflowing with its own productions, and yet remain poor and barbarous as to the blessings which wealth confers, until it opens its doors to exchange the hitherto worthless contents of its storehouses for

the precious products of other climes. As all such interchange is voluntary, it follows that freedom is an essential element of commerce. Trade is trade only so far as it is free, because the choice of the will is only choice so long as it is free.

The interferences of power to restrict trade are, like the interpositions of force in opposition to free-will, mechanical and obstructive in their nature, and oppressive in their operation, except where justified by some higher extraneous reason. From the days of the old Romans, who used the same word to designate an enemy and a stranger, it seems to have been a prevalent idea in Europe that hostility was the most essential element of national life, and that nations existed chiefly to distrust and depress, or to injure and destroy other nations. It seemed to be accepted as a fundamental axiom of statesmanship, that no nation could enrich and elevate itself but at the expense of its neighbours. The nearest countries as to locality were regarded as most essentially and constantly "natural enemies." The sorrowful poet Cowper wrote truth as well as poetry when he sung—

"Lands intersected by a narrow frith
Abhor each other. Mountains interposed
Make enemies of nations, who had else,
Like kindred drops, been mingled into one."

Task, Book ii.

The concurrent growth of commerce and civilization in the fourscore years that have elapsed shows that

the poet was also a prophet, when he speaks of commerce as the necessary remedy—

“Sure there is need of social intercourse,
Benevolence and peace, and mutual aid,
Between the nations, in a world that seems
To toll the death-bell of its own decease,
And by the voice of all its elements
To preach the general doom.”

In the face of the vast and ruinous military preparations of most of the countries in Europe, and the failure of all negotiations for disarmament, it is yet an unquestionable fact, that the political and commercial relations of those countries to each other have been wonderfully ameliorated, and that the increase of commerce among them is at once a principal cause and an accurate measure of this great improvement. Commerce, in proportion as it has become more free, has extended itself more and more widely, and everywhere encouraged a more varied and productive industry, which in its turn furnishes more abundant material for the operations of commerce, until the conviction has become general among civilized nations, that the trade of a country in peace is worth more than its spoils in war. And even in cases where the arbitrament of war cannot be avoided, although the improvements in the military art make war appear more terrific in its display, so great is the supporting and healing efficacy of modern commerce, that nations suffer less and recover more quickly, under the inflictions of war, than they did a hundred years ago.

In the former ages, the right of trade was regarded as a privilege, to be conceded as a boon, or prohibited as a penalty ; granted with condescension, or refused in anger. As each nation believed that it could enrich itself by trade only through the impoverishment of its neighbour, and could enrich its neighbour by trade only in proportion as it impoverished itself, the regulation of international commerce became a subject of the profoundest study of statesmen and scholars, endeavouring to discover in what way a government could most advance the interests of one country, while conferring the smallest benefits or inflicting the greatest injury upon another.

Like all struggles against the beneficent laws of social life established by the Creator, these narrow schemes perpetually frustrated themselves. And wherever they were reciprocally pursued, their results of mutual impoverishment or open hostility showed that restrictions upon trade are in their nature identical with war, which is only a trial between nations to see which can do the other most harm. As the commerce between neighbouring nations increased, it was found out, especially by English statesmen, that the same policy of commercial restriction through the taxing of foreign products, which had been originally introduced for purposes of hostility or national rivalry, could be made to subserve the further object of encouraging the production of articles at home, which would otherwise be imported from abroad.

Hence protective duties on foreign products came to be employed as a substitute for governmental

bounties on home products, as the means of promoting that diversity of industrial pursuits which is so necessary an ingredient in national prosperity.

This protective policy is essentially of British origin, or, at least, has been followed out by the British Government, until a recent period, in the most comprehensive manner. The operation of the protective policy is to help domestic industry by making foreign products dear, while the bounty policy aims at the same result by making domestic products cheap.

The one aims at high prices, the other at low prices. The fact was lost sight of, that the artificial raising of prices, if long continued, inevitably spreads itself over all branches of industry, enhances the cost of living and the wages of labour, and thus neutralizes its effect. This compels a further advance of protective duties, issuing again in a similar equilibrium of prices, calling for further imposts.

The great increase and diffusion of wealth in modern commercial nations permitted this policy to be pursued for a long time, notwithstanding its obvious tendency everywhere to make the poor poorer, while it made the rich richer. But there must come a limit beyond which the alternate elevation of the wages of labour and the cost of subsistence cannot be extended, and then the protective policy breaks down, and must be laid aside. And with this comes in the practical adoption of the true economical philosophy, that the interests of nations are mutual and not antagonistic, which teaches that each one grows in wealth by the advancement of its neighbour; that the impover-

ishment of a nation destroys the value of its trade, and thus impairs the prosperity of its neighbours ; that the highest possible prosperity of a country depends upon the greatest possible extension of its commerce, which is best promoted by the utmost degree of freedom in trade ; and that the diversification of productive industries rests on the surest foundations when allowed its natural growth, under the influence of increasing commerce, advancing intelligence, unlimited freedom of labour, and the highest assurance of the enjoyment of its products. And this is also demonstrating, in practice, that the continuance of the *entente cordiale* between nations long supposed to be necessary rivals, if not natural enemies, is most sure to be permanent, when it is upheld by the freest interchange of their respective products.

All Europe is now falling gradually into this new system of policy, the nations most advanced in freedom and intelligence taking the lead. The Government of the United States still adheres to the protective policy, in all its bearings and proportions, with the utmost tenacity, and is thus far supported by the apparent consent of the great body of the people of that country. The fact is certain, and if fully examined is less to be wondered at than regretted. That a body of English emigrants, going to found an English colony, having English laws and habits, and carrying with them only English ideas and literature, should, on setting up for themselves, fall spontaneously into the adoption of English methods of policy, in regard to most things not actually involved in the

process of separation, would be anticipated as philosophically as it has been realized historically.

Mr. Alexander Hamilton, the first Secretary of the Treasury of the United States under the Constitution, in his first report on finance, proposed the encouragement of domestic manufactures as one of the leading objects to be aimed at in legislation. And the first Congress of the present Government incorporated this idea by express words in its first act, laying duties on foreign goods. By the greater number of American statesmen and financiers this idea has been received, without a serious question of its soundness, to this day. In all the incessant fluctuations of the tariff, the changes have been only in degree, and not in principle. In all the strifes of parties, they have started with the common axiom of "duties for revenue, with incidental protection." Of late a few extremists have almost ventured to proclaim the doctrine that duties ought to be laid with reference to protection chiefly, even if their effect should be a diminution of revenue.

Their plain utterance would be, "Duties for protection, with incidental revenue."

It is safe to say that the system has reached its acme in the United States, and that any future changes in the tariff will be in the other direction. The need of revenue to meet the exigencies of the public debt, the general embarrassment arising from the continuance of exorbitant prices, the vigour with which the true principles of political economy are now urged upon the public mind, and the obvious interest of

the country in the restoration and expansion of its commerce, cannot but extend the conviction, already adopted by large numbers of the ablest thinkers and most learned scholars of the country, that the protective policy has already been carried too far, and that the future prosperity of the people depends now upon a rapid change towards the policy of Free Trade. The common sophistries by which the Protective policy justifies itself are only the gloss by which it is apologized for and made presentable in the arena of public opinion. A more careful examination of the facts will show that its vital principle is to be found in the idea of national antagonism which is discussed in the preceding paragraphs. No current argument in its favour would be considered complete, no popular presentation of it would be found persuasive enough to satisfy the body of the American people, unless it was vitalized with the idea that it is both necessary and right to protect the labouring classes of the country against the ruinous competition of "the pauper labour of Europe."

That is the opprobrious term employed by the Protectionist press of America to describe the industrial classes of the parent countries of their own population. But the labouring classes in America are already beginning to see that they have only a choice of competitions; for the facilities of crossing the ocean are now such, that the labouring classes of both Europe and Asia can easily transfer the field of competition to the American soil, so that all they can gain by their Protective tariff, if it is continued a

length of time, is the privilege of paying exorbitant prices for their subsistence, while the capitalist gets the lion's share of the benefits.

But the selfish expectation of building up their own manufacturing interests by destroying those of their European neighbours, with the satisfaction of pampering their own labourers by starving their kindred in Europe, is still insufficient to give political popularity to the protective system, such as will secure its permanent continuance. The appeal is made to what is supposed, by superficial thinkers, to be the overmastering passion of the American people, by holding forth the protective policy as a weapon of special power to injure the British nation. The supposed traditional hatred of England handed down from the American revolution is chafed and exasperated by representations designed to create the belief that the British commercial policy is always governed by the single aim to destroy American manufactures.

And no man of prominence in America can support even a partial relaxation of the rigours of Protection without bringing upon himself the stigma of being a partisan, and probably a pensioner, of "British Free Trade." The persistence and vehemence with which these representations are urged attest the consciousness of the Protection advocates that their cause cannot be maintained among their own people unless the belief is propagated that high duties are a weapon of special force to injure Great Britain. If the tariff would inflict serious injury only upon Germany, the German citizens have already too much political influence to

allow hatred of Germany to be aroused and appealed to in favour of any measure of policy in America. If it were only France that was concerned, no American statesman would venture to propose the infliction of injury upon France in face of the strong national sympathies with France which have come down from the days of Independence. The protective policy cannot stand in America, by the admission of its advocates, except as it is deemed an expression of hostility against England. But for these representations it would begin to be abandoned before the close of the present administration. So long as it is continued it will remain an expression of unabated and unalterable hostility, in the face of which it is in vain to expect any considerable amelioration in the political and commercial relations of the two countries.

The circle of topics belonging to this discussion cannot be completed without a brief reference to the Dominion of Canada, in its bearing upon the relations between the two countries. It is impossible to wink out of view the fact, that the present value of this possession, in the eyes of the British nation, has reference chiefly to the contingency of war with the United States. Since the adoption of Free Trade, the value of such a territory for its trade depends upon the condition of the people, and not at all on their political relations. The possession or the abandonment of Canada can have no perceivable bearing upon the relations between Great Britain and any European nation, unless it might possibly, in some

contingency, become a means of involving the United States in some entangling alliance with a European power at war with England.

In a strictly military point of view, looking either to an American or European war, Canada is rather a source of weakness than a tower of strength against any power having both an army and a navy. It would be a prominent point of attack, while the highest British military authorities pronounce it incapable of a prolonged defence. If we study carefully the utterances of British statesmen and authors, we are struck with the constant outcropping of the idea that Canada is to be held, cherished, improved, strengthened, fortified, as a make-weight against the United States. The recent confederation of the provinces was urged upon them by the Imperial Government as an imperial measure, and for imperial objects, rather than for any benefit it would be to the people of the colonies. Every influence which the Home Government could employ was put in requisition, and brought to bear upon the provincial leaders before the final consent could be obtained to the union. A powerful party in the Dominion already sees with pain that it is a great injury to their future prospects to be thus held in a position where they are expected to feel the heaviest of the blows, in a possible war in which they have no concern. The proposed railway between Quebec and Halifax, the funds for which were held up as one of the chief inducements for confederation, is now laid down by a route running quite away from the population, for governmental

reasons only, having reference to no necessity but that arising from hostilities with the United States. Not for commercial but military reasons they are called upon to build a railway through a cold and sterile region, which will probably be among the last in the world to become populous and productive. It is not for defence, but offence, that the aggrandizement of Canada is cherished. England is not more secure from invasion by the forts in Canada. As a bulwark against invasion from America, Canada is worthless. It is only valuable as a sally-port for invasion of America by British troops, gathered and marshalled in Canada, to fight the battles of Great Britain upon the soil of the United States. If Canada were held and managed as it is, mainly for the benefit of its trade, the Dominion would not be allowed to adopt the American system of protective duties against British products, but would be brought at once within the scope of the blessings of Free Trade. Its value in this regard is that of a standing menace towards the United States. It is as if a man were standing with a brandished club at his gate, while inviting you to become sociable and friendly, thus showing himself ready to break your head at a moment's notice if you disoblige him. In all this the colonies are wholly passive. They are held as a convenience for the uses of the mother country. Their sentiments or their interests are alike immaterial to the result. Be they ever so hostile, they can do no act and pursue no policy on their own account.

Be they ever so friendly, they cannot help being held up as a standing menace against the United States.

It is impossible that amicable relations should be perfect between neighbours, when one keeps dogs and guns in constant display against the other. This would be true were defence alone the avowed object of the army ; still more where the object is coercion and intimidation by the threat of invasion or injury. It is only the slightness of the apprehension of peril from this source that renders the American people so indifferent to all these hostile demonstrations. It is evident, however, that this obstacle to national amity can only be removed by the adoption of a different policy, supported by different reasons, and having other tendencies than those of menace and hostility. What that policy should be is not within the scope of the present inquiry. A single suggestion only will be ventured.

All friends of freedom who have sprung from Teutonic stock, cherish a special solicitude for the revival of civil liberty and its blessings in the "Fatherland" of Germany. Such a restoration long seemed to be an impossibility, through the division of the country into a large number of petty sovereignties, whose mutual rivalries and conflicts forbade the hope of speedy improvement. Nearly forty years ago, a German scholar and patriot, himself an exile for his love of liberty, Doctor Francis Lieber, now a learned and distinguished publicist in New

York, wrote in the *Encyclopædia Americana*, of which he was the editor, this striking prediction :

“It needs no prophetic eye to foresee that the time will come when Germany will sustain that struggle which England and France ended long ago ; will become united, and rest from the bloody conflicts in which, for centuries, Germans have slain Germans, and which have wasted their wealth, checked their industry, impeded their development of public law, and extinguished in their literature that manliness which is so striking a feature in that of a neighbouring nation, partly descended from them—conflicts most fully exhibited in that heart-rending tragedy, the Thirty Years’ War.

“It may be asserted, without paradox, that *union* is at present *more necessary for Germany than liberty* ; at least, give her the former, and the latter will soon follow.” (Vol. v. p. 450. Philad. 1831.)

That which all the desolating German wars of all the centuries had not begun to produce, the unification of the German peoples into one body, has been reserved to be the triumph of freedom of commercial intercourse.

In the year 1807, after the disastrous campaigns of Ulm and Jena, by which Germany was almost subjugated to France, the statesmen of Prussia were aroused to the conviction that there was no way in which the nation could recover itself but by great improvements in the condition of the people. The first step was the abolition of the land monopoly

of the nobles, so that the land could be owned by its cultivators. The next was the concession of local self-government to the towns. The result was seen when the body of the people turned out to drive the French invaders from their soil in 1813. During the financial exhaustion which followed these terrific struggles, the want of capital and labour prevented any great advance in manufacturing industry. But by 1818 the Government became satisfied of the necessity of such a change of policy as would encourage manufactures, by freeing them as much as possible from all governmental burdens. They therefore at once reduced the Customs' duties to a mere revenue scale, in no case exceeding ten per cent. At the same time earnest overtures were made to all the independent Germanic powers for the establishment among themselves of a Zoll-Verein, or Customs Union, whereby absolute Free Trade should be established among all the states agreeing thereto. The bigotry and jealousy of the reigning houses, with other causes, made it nearly twenty years before so many powers had come into the Customs Union as would afford a fair trial of its efficacy. But just in proportion as it went into operation, prosperity followed in its train.

In 1858, the Zoll-Verein embraced above thirty-three millions of people. Each state effected its accession by the formality of a treaty, and not by act of legislation—showing that the mutual regulation or abolishment of customs is a legitimate subject

of treaties between states jealous of their own sovereignty. By the fundamental rules of the Zoll-Verein, each state regulated the duties on its own frontiers, but no foreign product was to be prohibited, and no duties were to be levied above the original Prussian standard of 1818; that is, ten per cent. *ad valorem*, but the free-list might be extended at pleasure. In fact, nearly all raw materials of manufactures were free. The product of the customs went into a common fund, and were distributed among the states according to population. The aggregate of imports of the Zoll-Verein increased from 137 million thalers in 1837, to 208 millions in 1853, and 354 millions in 1857. The home product of iron increased from 3,700,000 cwt. in 1850, to ten million cwt. in 1858; while the importation of iron increased, at the same time, from ~~ten~~ and a half million cwt. in 1850, to six and a half millions in 1858. Both these advances illustrate the financial improvement of the Union, and show at once the effect of a low revenue rate of duties of ten per cent. on foreign imports, and of the perfect freedom of trade between the parties to the compact. And now in 1868, German unity, the cynosure of German liberty, is on the point of a complete consummation, to the great rejoicing of all the Teutonic races and peoples, and the great advancement of general peace and civilization. LAUS DEO! ¹

¹ It is a noticeable circumstance, in illustrating the sophistries by which the Protective policy is supported in America, that Mr. Henry C. Carey of Philadelphia, the greatest living authority in favour of that

These great and beneficent results of a system of measures so simple and unexceptionable, prompt the inquiry, how far an arrangement of somewhat similar character may ultimately be found both advantageous and practicable between the three great English-speaking countries, Great Britain, the United States of America, and the Dominion of Canada? An Anglo-Saxon Customs Union! Perfect freedom of trade and exchange between the three countries, such as now exists between the counties of England, between the States of America, and between the provinces of Canada! How many difficult problems it would settle! How many causes of jealousy it would remove! How many bonds of sympathy it would create and strengthen! What causes (commercial or political) would be likely to renew hostilities between these countries for hundreds of years to come? It is not to be supposed that two countries, however well disposed, with an ocean between them, would pattern their Customs Union precisely after that adopted by the German States, adjacent to each other. Let the details be adjusted by those who shall be called to settle the terms of the agreement. Where there is a will there is a way.

The present time seems eminently propitious for the discussion of the question proposed by the

policy, in his latest publication adduces the Prussian tariff of 1818, and the success of the Zoll-Verein, as a brilliant example of the blessings conferred by Protection in contrast with Free Trade!—*Washington Republican*, November 30, 1868.

Cobden Club: "On the best way of developing improved political and commercial relations between Great Britain and the United States of America." Both countries are just about taking a fresh departure in the career of their national history. In England the great question of parliamentary reform, which has been the bugbear of politicians for a generation, has been settled with only the bustle and excitement of an ordinary change of administration.

The cry of "Finality," with which the leaders in the Reform of 1832 sought to cover their own cowardice, or calm the fears of the country squires against any further concession to popular rights, has yielded at last to the dictates of reason. The teachings of all human experience show that finality is an attribute only of the works of God, and that change is the essential condition of all human processes and institutions. So long as there is anything new to be learned, or anything in the present to be made better, there must be a change. The fear of the "Americanization of British institutions," which was the last resort of the opponents of progress, has already gone to take its place with the fears of Guy Faux and the Pretender.¹ Hereafter the whole body of the people are to find themselves, not arrayed in two hostile ranks, each seeking, at the expense of the common

¹ Mr. Robert Lowe, in giving thanks for his late election to Parliament by the London University, used these remarkable words: "Perhaps the best thing is to look at America, not as a warning to deter, but an example to imitate."

welfare, to aggrandize and protect itself by depressing the other, but as an homogeneous mass of fellow-patriots, all bound together by a community of interests and responsibilities, and all working for the common end, by doing all in their power to elevate their country, by improving the condition of every person in it. In this career of national growth and glory, unparalleled in history, there is not a generous heart in America that will not bid the grand old mother country a hearty "God speed you," without a single jealous reserve, or one misgiving fear.

In like manner, in the United States, the great evil of slavery, heretofore regarded by the whole British nation, with rare exceptions, as the rock upon which the American Union would one day be broken to pieces, has disappeared as absolutely as if the earth had opened and swallowed it down deep in the abyss, closing over its sudden grave so that it can never reappear. Instead of wrecking the Union, the whole excitement connected with the overthrow of slavery and the suppression of the largest rebellion that ever was suppressed, has not effected even a change of administration. Some financial embarrassments and irregularities, a great exhaustion at the South, are symptoms of the passing away of a great convulsion; but the onward progress of the United States in that which chiefly concerns the greatness and glory of a nation, has never been suspended for a moment, and is now in many respects more brilliant than ever before.

Thus the predictions of the prophets of evil in

either country, regarding the other or itself, have wholly failed, and the two nations are now at liberty to cherish the highest sentiments of mutual respect and admiration, without a single drawback. It is a happy omen for the future, that as both nations are free themselves, and the friends of freedom everywhere, so the increase of friendly relations between them depends mainly upon the increase of freedom in their mutual intercourse.

The question raised by the Cobden Club, is that on which the future of the two countries mainly depends. Every measure and every feeling that tends to improve their mutual relations, tends equally to the most substantial advantage of the country that shall adopt it. The two countries are so much alike in so many particulars of character and circumstances, that they cannot but grow more and more alike, and more and more attached to each other, if progress is permitted in that direction. At the same time the two are so different in so many respects, that it will be possible enough for them to grow more and more estranged and embittered, until in a course of ages it will be hard to believe that they came of the same stock, and were once the same in language and religion, in laws and manners, as children of the same mothers and heirs of the same fathers. It is impossible that their political and commercial relations shall remain as they are for a few generations to come. The beginning of the next century will show something of the huge proportions of the problem now under considera-

tion. The generation of scholars, of statesmen, of politicians, and men of business, now on the stage of action, stand at the gate of this awful future. Impulses and directions now given to the course of affairs will bear fruit of good or evil, in proportions so gigantic as we who are now planting the seeds of things have never yet seen, and could not believe, though a man should tell us of them.

THE END.



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